

BOARD BILL #129CS

INTRODUCED BY ALDERMAN STEPHEN CONWAY

1 An ordinance recommended by the Board of Estimate and Apportionment of the City of
2 St. Louis, Missouri (the “City”) authorizing and directing the St. Louis Municipal Finance
3 Corporation (the “Corporation”) to issue and sell its Leasehold Revenue Bonds, Series 2008 (the
4 “Series 2008 Bonds”) in an aggregate principal amount of not to exceed \$75,000,000 in order to
5 fund the acquisition, construction, repair, improvement, and renovation of the Cervantes
6 Convention Center (as defined herein) for the general welfare, safety, and benefit of the citizens
7 of the City; authorizing and directing the officers of the Corporation to execute and deliver the
8 Sixth Supplemental and Restated Indenture of Trust, the Fifth Supplemental and Restated Lease
9 Purchase Agreement, the Fifth Supplemental and Restated First Deed of Trust, Security
10 Agreement and Assignment, the Official Statement, and the Bond Purchase Agreement;
11 authorizing the obtaining of credit enhancement, if any, for the Series 2008 Bonds from a Credit
12 Provider (as defined herein), authorizing the City to execute and deliver, as necessary or
13 desirable to facilitate the transactions contemplated hereby, any of the Fifth Supplemental and
14 Restated Lease Purchase Agreement, the Tax Compliance Agreement (as defined herein), the
15 Continuing Disclosure Agreement (as defined herein), the Official Statement, and the Bond
16 Purchase Agreement; providing for a debt service reserve fund or funds, if any, for the Series
17 2008 Bonds; authorizing the Corporation and the City to obtain credit enhancement for a portion
18 or all of the Series 2008 Bonds from a Credit Provider; authorizing the payment of any
19 obligations due to a Credit Provider, if any; and authorizing the Comptroller and any other
20 appropriate City officials to execute the Credit Agreement (as defined herein) and other
21 documents related thereto, if any; authorizing participation of appropriate City officials in
22 preparing the Official Statement; authorizing the acceptance of the terms of the Bond Purchase

1 Agreement and the taking of further actions with respect thereto; authorizing the payment of
2 certain costs of issuance of the Series 2008 Bonds; authorizing and directing the taking of other
3 actions and approval and execution of other documents as necessary or desirable to carry out and
4 comply with the intent hereof; and superseding provisions of prior ordinances of the City to the
5 extent inconsistent with the terms hereof.

6 **WHEREAS**, the Corporation holds title to the convention center located at Washington
7 Avenue, between 7th and 8th Streets (the “Cervantes Convention Center”), located within the
8 geographical boundaries of the City and leases the Convention Center Property (as defined
9 herein) to the City, pursuant to which lease the City has an option to purchase the Convention
10 Center Property for a nominal sum upon defeasance or final retirement of the Bonds (as defined
11 herein); and

12 **WHEREAS**, the City has determined that funds are needed to acquire, construct, repair,
13 improve, and renovate the Cervantes Convention Center (the “Series 2008 Project”); and

14 **WHEREAS**, on April 6, 1993, under and by the authority of Section 67.657, RSMo, and
15 pursuant to Ordinance 62802 of the City, the qualified voters of the City of St. Louis approved a
16 three and one half percent (3 ½%) sales tax on the amount of sales or charges for all rooms paid
17 by the transient guests of hotels and motels be levied in the City to provide funds for convention,
18 tourism, and sports facilities purposes and agencies (the “Hotel Sales Tax”); and

19 **WHEREAS**, under and by the authority of St. Louis, Mo., Rev. Code, Ch. 11,
20 §11.42.255; Ordinance No. 56263, §3 (October 17, 1972), the City imposes a one percent (1%)
21 license tax based upon the gross receipts due from or paid by patrons of all restaurants and

1 itinerant restaurants doing business within the City, excluding gross receipts from the sale of any
2 alcoholic beverage (the “Restaurant Gross Receipts Tax”); and

3 **WHEREAS**, the City has determined that it is in the best interest of the City to direct the
4 Corporation to issue its leasehold revenue bonds (as further defined herein, the “Series 2008
5 Bonds”) for the purpose, in part, of providing funds to pay the costs of the Series 2008 Project;
6 and

7 **WHEREAS**, it is necessary and desirable in connection with the issuance of the Series
8 2008 Bonds for the City and/or the Corporation to execute and deliver certain documents,
9 including the Sixth Supplemental and Restated Indenture of Trust, the Fifth Supplemental and
10 Restated Lease Purchase Agreement, the Fifth Supplemental and Restated First Deed of Trust,
11 Security Agreement and Assignment, the Continuing Disclosure Agreement, the Tax
12 Compliance Agreement, the Official Statement, the Bond Purchase Agreement, and/or a Credit
13 Agreement; and that the City and the Corporation execute certain other documents, take certain
14 other actions and approve certain other documents, as herein provided.

15 **NOW THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS AS**
16 **FOLLOWS:**

17 **Section 1. Definitions.** Capitalized terms used herein and not defined in this
18 Ordinance shall have the meanings ascribed to such terms in the Indenture. As used in this
19 Ordinance, the following words shall be defined as follows:

20 **“Additional Rentals”** means the Additional Rentals as defined in the Indenture.

21 **“Ambac”** means Ambac Assurance Corporation.

1 **“Authority”** means The Industrial Development Authority of the City of St. Louis,
2 Missouri.

3 **“Bond”** or **“Bonds”** means collectively the various series of bonds issued pursuant to the
4 Indenture.

5 **“Bond Purchase Agreement”** means the Bond Purchase Agreement or Bond Purchase
6 Agreements related to the issuance and sale of the Series 2008 Bonds.

7 **“City”** means The City of St. Louis, Missouri.

8 **“City Documents”** means the Fifth Supplemental and Restated Lease Agreement, the
9 Tax Compliance Agreement, the Credit Agreement, if any, the Continuing Disclosure
10 Agreement, the Bond Purchase Agreement, and such other documents, certificates, and
11 instruments as may be necessary or desirable to facilitate the issuance of the Series 2008 Bonds
12 and to carry out and comply with the intent of this Ordinance.

13 **“Continuing Disclosure Agreement”** means one or more Continuing Disclosure
14 Agreements memorializing the City’s and/or the Corporation’s continuing disclosure obligations
15 with respect to the Series 2008 Bonds.

16 **“Convention Center Property”** means the real property described on Exhibit B to the
17 Lease Agreement together with any improvements constructed thereon and the personal property
18 located thereon.

19 **“Corporation”** means the St. Louis Municipal Finance Corporation.

20 **“Corporation Documents”** means the Sixth Supplemental and Restated Indenture, the
21 Fifth Supplemental and Restated Lease Agreement, the Fifth Supplemental and Restated First
22 Deed of Trust, the Tax Compliance Agreement, if any, the Bond Purchase Agreement, and such

1 other documents, certificates, and instruments as may be necessary or desirable to facilitate the
2 issuance of the Series 2008 Bonds and to carry out and comply with the intent of this Ordinance.

3 **“Credit Agreement”** means any agreement by and between the Credit Provider and the
4 City providing for Credit Enhancement.

5 **“Credit Enhancement”** means a letter of credit, liquidity facility, a surety bond, or bond
6 insurance policy or policies, issued by a Credit Provider guaranteeing, providing for or insuring
7 the payment of all or a portion of the principal of and interest on one or more series of Bonds as
8 provided therein.

9 **“Credit Provider”** means the issuer or issuers of any Credit Enhancement, if any,
10 pursuant to the Credit Agreement and identified in the Sixth Supplemental and Restated
11 Indenture.

12 **“Deed of Trust”** means the First Deed of Trust and Security Agreement dated as of June
13 15, 1993 by and among the Corporation, the mortgage trustee as provided therein, the Trustee
14 and The Sanwa Bank, Limited, predecessor to Ambac, as credit provider; as amended and
15 supplemented by the First Supplemental Deed of Trust, Security Agreement and Assignment
16 dated as of August 1, 1999 by and among the Corporation, the mortgage trustee as provided
17 therein, the Trustee, Ambac; as supplemented and restated by the Second Supplemental and
18 Restated First Deed of Trust, Security Agreement and Assignment dated as of November 1, 2000
19 by and among the Corporation, the mortgage trustee as provided therein, the Trustee and Ambac;
20 as supplemented and restated by the Third Supplemental and Restated First Deed of Trust,
21 Security Agreement and Assignment dated as of April 16, 2003 by and among the Corporation,
22 the mortgage trustee as provided therein, the Trustee and Ambac; as supplemented by the Fourth

1 Supplemental and Restated First Deed of Trust, Security Agreement and Assignment dated as of
2 May 1, 2005 by and among the Corporation, the mortgage trustee as provided therein, the
3 Trustee, and Ambac; and as supplemented by the Fifth Supplemental and Restated First Deed of
4 Trust.

5 **“Fifth Supplemental and Restated First Deed of Trust”** means the Fifth Supplemental
6 and Restated First Deed of Trust, Security Agreement and Assignment by and among the
7 Corporation, the mortgage trustee as provided therein, the Trustee, and Ambac.

8 **“Fifth Supplemental and Restated Lease Agreement”** means the Fifth Supplemental
9 and Restated Lease Purchase Agreement dated as of May 1, 2005 by and among the Corporation,
10 the City, and the Authority by and among the Corporation, the City, and the Authority, with
11 respect to the Series 2008 Bonds.

12 **“Indenture”** means the Indenture of Trust dated as of June 15, 1993 by and between the
13 Corporation and the Trustee; as supplemented by the First Supplemental Indenture of Trust dated
14 as of June 15, 1993 by and between the Corporation and the Trustee; as supplemented by the
15 Second Supplemental Indenture of Trust dated as of August 1, 1999 by and between the
16 Corporation and the Trustee; as supplemented and restated by the Third Supplemental and
17 Restated Indenture of Trust dated as of November 15, 2000 by and among the Corporation, the
18 Authority, and the Trustee; as supplemented and restated by the Fourth Supplemental and
19 Restated Indenture of Trust dated as of April 15, 2003 by and among the Corporation, the
20 Authority, and the Trustee; as supplemented and restated by the Fifth Supplemental and Restated
21 Indenture of Trust dated as of May 1, 2005 by and among the Corporation, the Authority, and the
22 Trustee; and as supplemented and restated by the Sixth Supplemental and Restated Indenture.

1 **“Lease Agreement”** means the Lease Purchase Agreement dated as of the June 15, 1993
2 by and between the Corporation and the City; as supplemented by the First Supplemental Lease
3 Agreement dated as of August 1, 1999 by and between the Corporation and the City; as
4 supplemented and restated by the Second Supplemental and Restated Lease Purchase Agreement
5 dated as of November 15, 2000 by and among the Corporation, the City, and the Authority; as
6 supplemented and restated by the Third Supplemental and Restated Lease Purchase Agreement
7 dated as of April 15, 2003 by and among the Corporation, the City, and the Authority; as
8 supplemented and restated by the Fourth Supplemental and Restated Lease Purchase Agreement
9 dated as of May 1, 2005 by and among the Corporation, the City, and the Authority; and as
10 supplemented and restated by the Fifth Supplemental and Restated Lease Agreement, pursuant to
11 which the Corporation has conveyed a leasehold interest in the Convention Center Property to
12 the City, and the City has leased the Convention Center Property from the Corporation and
13 agreed to pay Rentals and Additional Rentals, subject to annual appropriation, equal to the
14 principal and interest due on the Bonds.

15 **“Official Statement”** means the preliminary and/or final Official Statement or Official
16 Statements prepared in connection with the issuance, sale, and delivery of the Series 2008
17 Bonds.

18 **“Parity Bonds”** means any and all Bonds issued under and secured by the Indenture
19 other than Corporation’s Compound Interest Junior Lien Leasehold Revenue Bonds, Series
20 1995B and any future series of junior lien Bonds.

21 **“Rentals”** means the Rentals as defined in the Indenture.

1 **“Series 2008 Bonds”** means the leasehold revenue bonds issued by the Corporation
2 pursuant to the Sixth Supplemental and Restated Indenture.

3 **“Sixth Supplemental and Restated Indenture”** means the Sixth Supplemental and
4 Restated Indenture of Trust by and among the Corporation, the Authority, and the Trustee.

5 **“Tax Compliance Agreement”** means the Tax Compliance Agreement entered into by
6 the Corporation, the City, and the Trustee with respect to the Series 2008 Bonds.

7 **“Trustee”** means The Bank of New York Mellon Trust Company, N.A., formerly known
8 as The Bank of New York Trust Company, N.A., successor to BNY Trust Company of Missouri,
9 successor to Mark Twain Bank, as trustee or any successor thereto under the Indenture.

10 **“Underwriters”** means the underwriters with respect to the Series 2008 Bonds.

11 **Section 2. Findings and Determinations.** The Board of Aldermen hereby finds and
12 determines that it is necessary and in the best interests of the City:

13 (a) to authorize and direct the Corporation to issue, as market conditions warrant, its
14 Series 2008 Bonds (i) to fund the Series 2008 Project, (ii) to fund one or more debt service
15 reserve funds, if any, and/or the purchase of Credit Enhancement for the Series 2008 Bonds, and
16 (iii) to pay reasonable expenses if any, incurred by the Corporation and the City in connection
17 with the transactions contemplated hereby; and

18 (b) to authorize and direct the Corporation to enter into a negotiated sale of the Series
19 2008 Bonds to the Underwriters.

20 **Section 3. Authority and Direction to Issue the Series 2008 Bonds.** The City
21 hereby authorizes and directs the Corporation, as market conditions warrant, to issue the Series
22 2008 Bonds in an aggregate principal amount not to exceed \$75,000,000 on behalf of the City for

1 the purposes set forth in Section 2 hereof. The City hereby ratifies and confirms all prior actions
2 of the Corporation taken in connection with the issuance of the Series 2008 Bonds. The Series
3 2008 Bonds (i) shall have a final maturity not more than forty-six years from their date of
4 issuance, (ii) shall bear interest at such variable interest rates or fixed interest rates or shall have
5 such accreted values as the City reasonably expects will achieve an economic benefit to the City,
6 and (iii) may be sold at a premium or at a discount with such discount not to exceed the
7 maximum discount allowable under Missouri law. The Series 2008 Bonds may be issued as
8 capital appreciation bonds or current interest bonds. The terms and provisions of the Series 2008
9 Bonds shall be as provided in the Sixth Supplemental and Restated Indenture.

10 **Section 4. Limited Obligations.** The Series 2008 Bonds and the interest thereon
11 shall be limited obligations payable by the Corporation solely from (i) proceeds of the Series
12 2008 Bonds, (ii) Rentals and Additional Rentals received by the Corporation from the City or by
13 the Trustee on behalf of the Corporation and reasonably expected to be used to pay debt service
14 on the Series 2008 Bonds pursuant to the Lease Agreement, (iii) amounts available in the debt
15 service reserve fund or funds, if any, and (iv) amounts payable by the Credit Provider in
16 connection with the Credit Enhancement on the Series 2008 Bonds, if any. The City hereby
17 agrees that during each fiscal year or portion thereof in which the Parity Bonds remain
18 outstanding, the City will not use Hotel Sales Tax or Restaurant Gross Receipts Tax revenues in
19 the then-current fiscal year for any purpose other than making payments of Rentals and
20 Additional Rentals with respect to the Parity Bonds during such then-current fiscal year unless
21 such payments of Rentals and Additional Rentals with respect to the Parity Bonds, if any, have
22 been provided for. The Bonds and the interest thereon do not and shall not constitute an

indebtedness of the City or the State of Missouri or any instrumentality thereof within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make payments of Rentals and Additional Rentals and other amounts under the Lease Purchase Agreement is subject to annual appropriation to the extent required by applicable law as provided therein. The obligation of the City to make such payments under the Lease Agreement or the Series 2008 Bonds shall not constitute a debt of the City within the meaning of any applicable provisions of law. The issuance of the Series 2008 Bonds will not directly or contingently obligate the City to make any payments beyond those appropriated for its then current fiscal year. The terms and provisions of the Series 2008 Bonds shall be as provided for in the Sixth Supplemental and Restated Indenture. Notwithstanding anything herein to the contrary, the Series 2008 Bonds shall be issued in a form and under such terms as shall ensure and maintain the security and tax-exempt status of the Bonds outstanding as of the date of the issuance of the Series 2008 Bonds.

Section 5. Authority and Direction to Sell the Series 2008 Bonds in a Negotiated Sale. In connection with the issuance of the Series 2008 Bonds, the City hereby authorizes and directs the Corporation to negotiate the sale thereof with the Underwriters, subject to the provisions of this Ordinance. The City further hereby authorizes and directs the Corporation to prepare, at the request of the Underwriters, the Official Statement, to execute and deliver the final Official Statement, and to execute and deliver the Bond Purchase Agreement, in connection with such negotiated sale of the Series 2008 Bonds.

Section 6. Authority and Direction to Obtain Credit Enhancement. The City hereby authorizes and directs the Corporation to obtain Credit Enhancement for the Series 2008

1 Bonds from a Credit Provider with such credit rating that, in the opinion of the Underwriters and
2 the financial advisor, will achieve an economic benefit for the City if the Series 2008 Bonds are
3 secured by such Credit Enhancement. Any Credit Agreement executed in connection therewith
4 may pledge Rentals and Additional Rentals on a parity basis to payment of (i) debt service on the
5 Bonds and (ii) any amounts due and owing to the Credit Provider under the Credit Agreement.
6 The Comptroller is hereby authorized to approve the terms of any such Credit Agreement, and
7 the Comptroller, with the advice of the City Counselor as to form thereof, is hereby authorized
8 and directed to execute such Credit Agreement and other documents in connection therewith as
9 required to obtain the Credit Enhancement.

10 **Section 7. Authority and Direction to Cooperate in Qualification.** The City and
11 the Corporation shall furnish such information, execute such instruments, and take such other
12 action in cooperation with the Underwriters as the Underwriters may reasonably request to
13 qualify the Series 2008 Bonds for offer and sale under the Blue Sky or other securities laws and
14 regulations of such states and other jurisdictions of the United States as the Underwriters may
15 designate; provided, however, neither the City nor the Corporation shall be required to register as
16 a dealer or broker in any such state or jurisdiction, to subject itself to service of process in any
17 state or jurisdiction in which it is not already so subject, or to comply with any other
18 requirements deemed by the City or the Corporation to be unduly burdensome.

19 **Section 8. Authority and Direction to Execute and Deliver Corporation**
20 **Documents.** In connection with the issuance of the Series 2008 Bonds, the City hereby
21 authorizes and directs the Corporation, to approve the terms of and to execute, seal, attest, and
22 deliver the Corporation Documents in such form as shall be approved by the City Counselor and

1 by the appropriate officers of the Corporation executing such documents, such officers'
2 signatures thereon being conclusive evidence of their approval thereof.

3 **Section 9. Authorization and Direction to Execute and Deliver City Documents.**

4 The City is hereby authorized to enter into, and the Mayor and the Comptroller and such other
5 officers of the City as are appropriate are hereby authorized and directed to execute, seal, attest,
6 and deliver, for and on behalf of and as the act and deed of the City, City Documents in such
7 form as shall be approved by the City Counselor and by the appropriate officers of the City
8 executing such documents, such officers' signatures thereon being conclusive evidence of their
9 approval thereof.

10 The Fifth Supplemental and Restated Lease Agreement shall be for a lease term to
11 terminate no later than the final maturity of the Bonds, subject to annual appropriation of Rentals
12 equal to the principal and interest due on the Bonds and certain Additional Rentals due under
13 such lease. The Fifth Supplemental and Restated Lease Agreement shall further provide the City
14 with an option to purchase the Convention Center Property upon the defeasance, or adequate
15 provision therefor, of the Bonds outstanding. The Fifth Supplemental and Restated Lease
16 Agreement shall contain such other terms and provisions as shall adequately secure and protect
17 the payment of principal and interest due on the Bonds outstanding.

18 **Section 10. Authorization with Respect to Sale of the Series 2008 Bonds.** The

19 preparation of the Official Statement, the execution and delivery of the Official Statement by the
20 City, and the execution and delivery of a Bond Purchase Agreement are hereby contemplated,
21 and the Mayor, the Comptroller, and other appropriate officers, agents, and employees of the
22 City are hereby authorized and directed to, take such further actions, and execute such other

1 documents as are required by the City thereunder, with their respective signatures thereon to be
2 evidence of such approval by the City.

3 The Mayor, the Comptroller, and other appropriate officers, agents, and employees of the
4 City, with the advice and concurrence of the City Counselor, are hereby authorized and directed
5 to participate with the Corporation and the Underwriters in the preparation of the Official
6 Statement and Official Statement, and to execute and deliver the Official Statement and the
7 Continuing Disclosure Agreement as necessary and desirable in order to assist the Underwriters
8 in complying with Rule 15c2-12 of the Securities and Exchange Commission.

9 **Section 11. Selection of Financial Advisor and Other Participants.** The
10 Comptroller is hereby authorized to select the financial advisor and such other advisors, counsel,
11 and participants to the transaction contemplated in this Ordinance as are desirable to further the
12 purposes of this Ordinance.

13 **Section 12. Further Authority.** The City and the Mayor, the Comptroller, the
14 Treasurer (as to permitted investments only) and other appropriate officers, agents, and
15 employees of the City are hereby authorized to take such further actions and execute such other
16 documents as may be necessary or desirable to carry out and comply with the intent of this
17 Ordinance, and to carry out, comply with and perform the duties of the City with respect to the
18 instruments and agreements authorized hereby.

19 **Section 13. Severability.** It is hereby declared to be the intent of the Board of
20 Aldermen that each and every part, section, and subsection of this Ordinance shall be separate
21 and severable from each and every other part, section, and subsection hereof and that the Board
22 of Aldermen intends to adopt each said part, section, and subsection separately and

1 independently of any other part, section, and subsection. In the event that any part, section, or
2 subsection of this Ordinance shall be determined to be or to have been unlawful or
3 unconstitutional, the remaining parts, sections, and subsections shall be and remain in full force
4 and effect, unless the court making such finding shall determine that the valid portions standing
5 alone are incomplete and are incapable of being executed in accord with the legislative intent.

6 **Section 14. Superseding of Inconsistent Provisions.** The provisions of this
7 Ordinance hereby amend any provision of any ordinance of the City inconsistent with the terms
8 hereof, but only to the extent of such inconsistency.